

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

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<p>In the Matter of</p> <p>Review of the Commission's Program Access Rules and Examination of Programming Tying Arrangements</p>	<p>MB Docket No. 07-198</p>
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**COMMENTS OF THE RURAL IOWA INDEPENDENT  
TELEPHONE ASSOCIATION**

In its Notice of Proposed Rulemaking (NPRM) adopted September 11, 2007, the Commission seeks comments on a number of topics related to the provision of cable television programming. Some of the issues raised have an important impact on

The Rural Iowa Independent Telephone Association (RIITA) is a non-profit association of rural independent telephone companies, representing approximately one hundred and thirty Iowa incumbent local exchange carriers. RIITA's membership is limited to companies that serve fewer than 20,000 access lines. In reality, most members actually serve far fewer than 20,000 access lines and many serve fewer than 1000 lines. All members serve high-cost rural exchanges.

Many of RIITA's members also provide cable television in their exchanges. An increasing number are providing or exploring the possibility of providing Internet Protocol Television (IPTV). These companies have faced companies abusing market

power in each of the ways discussed in the present NPRM. These small companies need to accommodate tying and bundling requirements, distribution restrictions and a variety of price discrimination. In addition, companies have been prohibited from using shared head-ends or required to employ unnecessary and expensive technology in relationship to shared head-ends.

The National Telecommunications Cooperative Association (NTCA) has contacted the Commission on several occasions to discuss these issues and has provided information to Commissioners and staff related to these issues. RIITA joins NTCA's comments and draws the Commission's attention to the major impact these impediments create in providing video services to rural Iowa and to rural America.

Specifically, RIITA recommends that, first, shared head-ends be allowed. Small cable and video providers can more easily provide service to a small number of customers by jointly purchasing or leasing a head-end. Generally, providers who object to shared head-ends, either object without stating a reason or raise technology concerns that do not exist, in fact. The Commission should allow small providers to use shared head-ends. Second, encryption should not be mandatory because of the substantial costs. The encryption requirements faced by small providers do not create any additional protection for the content providers, but add costs unnecessarily to the small providers.

Third, tying arrangements should be prohibited. Large content providers have been adding increasing amounts of additional programming requiring substantial excess fees. Small video providers cannot continue to absorb the extra programming into their basic tier in order to secure programs that are demanded. The cost is reaching a point at which carriers will need to consider not offering cable services at all, or the service will become so expensive that customers will find it cost-prohibitive. Tying arrangements should be prohibited.

Fourth, RIITA joins NTCA in asking for "final offer" arbitration. When disputes arise between large companies providing video content to small companies, the possibility of voluntary arbitration does not insure that a result can be fairly obtained. Final offer arbitration forces both parties to make reasonable final offers and a resolution is more likely to be reached before arbitration. In addition, the arbitration process is much more likely to reach a fair result.

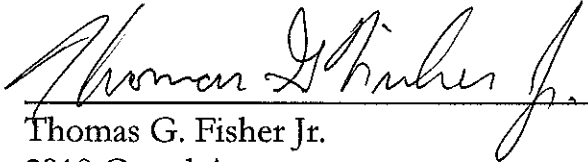
Fifth, exclusive programming contracts should be extended to DBS providers to prevent companies from pulling availability of programming to cable and IPTV providers in favor of satellite providers. Sixth, non-disclosure agreements should be prohibited. This impedes the flow of information and prevents the development of market rates for programming.

All of these positions have one thing in common: open up affordable, available cable television and IPTV to customers in rural Iowa and rural America. Large cable providers have not been willing to serve these areas and small providers are struggling to provide these services. But the struggle is related to market abuses by content providers. Each of these recommendations would move the markets to allow access unrestricted by the market power of large content providers. Allowing shared head-ends and prohibiting encryption requirements removes the costs of unnecessary technological requirements placed on small companies. Prohibiting tying and exclusive programming arrangements allows companies to purchase and provide programming for a small number of customers at reasonable cost. Final offer arbitration will help resolve disputes. And prohibiting non-disclosure will enhance the market by allowing access to information necessary for the market to function.

RIITA asks the Commission to adopt all of the recommendations made by NTCA and others in comments to the commission on behalf of small cable and IPTV providers.

Respectfully Submitted,

**PARRISH, KRUIDENIER, DUNN, BOLES,  
GRIBBLE, COOK, PARRISH,  
GENTRY & FISHER, L.L.C.**

A handwritten signature in cursive script, reading "Thomas G. Fisher Jr.", written over a horizontal line.

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